ECONOMIC AND SOCIAL COMMISSION FOR ASIA AND THE PACIFIC

REPORT OF THE FIRST SESSION OF STANDING COMMITTEE OF FRAMEWORK AGREEMENT ON FACILITATION OF CROSS-BORDER PAPERLESS TRADE IN ASIA AND THE PACIFIC

UNCC and online, Bangkok
12-15 December 2022

I. ORGANIZATION OF THE SESSION

1. The first session of the Standing Committee of the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific was held at UNCC, Bangkok and online, from 12 to 15 December 2022.

A. Attendance

2. The session was attended by the following States parties to the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific: Azerbaijan, Bangladesh, China, Islamic Republic of Iran, Mongolia, Philippines, Timor-Leste and Turkmenistan. The session was also attended by the Republic of Korea, Tajikistan, and Tuvalu, which have deposited the instrument of accession to the Framework Agreement on 28 November 2022 (Republic of Korea) and on 8 December 2022 (Tajikistan and Tuvalu).

3. Representatives from the following countries attended the meeting as observers: 1) Bhutan, 2) India, 3) Japan, 4) Nepal, 5) Russian Federation, and 6) Thailand.

4. Invited representatives from the following international organizations attended the meeting: 1) Asian Development Bank; 2) International Chamber of Commerce; 3) International Road Transport Union; 4); Universal Postal Union; 5) United Nations Commission on International Trade Law; 6). United Nations Conference on Trade and Development; 7) World Bank; 8) World Customs Organization; and 9) World Trade Organization.

B. Opening Address

5. In her opening statement, Ms. Rupa Chanda, Director, Trade, Investment and Innovation Division, welcomed and thanked all participants in the first session of the Standing Committee. She highlighted the importance and challenges for preparing the action plans according to Article 12 of the Framework Agreement. She emphasized that it is strategically important to join this treaty regardless of the status of paperless trade development in a country. For the leading countries, this Framework Agreement will support them to promote their best practices and set up regional norms in cross-border paperless trade. The small or the least developed economies will get much needed support in advancing paperless – including cross-border paperless – trade. She also pointed out that partnership would be crucial for the implementation of the Framework Agreement.

C. Election of officers

6. The Standing Committee elected H.E. Mr. Domingos Lopes Antunes, Vice Minister of Trade and Industry of Timor-Leste as chair and Mr. Noor MD. Mahbubul Haq, Additional Secretary, Ministry of Commerce of Bangladesh as vice-chair. In his acceptance statement, Mr.

Antunes thanked the delegations for his election as Chair and called for cooperation and involvement of all distinguished delegates.

D. Agenda

7. The Standing Committee adopted the agenda as shown in Annex 1.

II. ACCOUNT OF PROCEEDINGS

A. Development of plans for implementation of the Framework Agreement

(Item 2 of the agenda)

8. The secretariat delivered a presentation on the Framework Agreement and emphasized that the Standing Committee was mandated to develop a comprehensive action plan for implementing the Framework Agreement. In this connection, the secretariat presented a draft action plan for consideration by the Standing Committee.

9. The following Parties shared key highlights and achievements of their countries in progressing cross-border paperless trade and implementing the Framework Agreement: Azerbaijan, Bangladesh, China, Mongolia, Philippines, Timor-Leste and Turkmenistan.

10. Two panel discussions were held where experts were invited to share their views on what should be prioritized by the Parties for implementing the Framework Agreement. The Standing Committee took note of the insights from the experts with appreciation.

11. The Standing Committee reviewed and revised the draft action plan and agreed to use the action plan, as shown in Annex 2, as a basis for further discussion. The Standing Committee noted that the action plan remains as a living document and further revisions would be allowed.

12. The Standing Committee highlighted the importance of engaging the private sector and requested the secretariat to propose a mechanism for effective engagement.

13. The Standing Committee agreed that Parties, if they have not already done so, should submit their response to the Survey on individual action plans circulated before the meeting (see Annex 3) to the secretariat within a month of the conclusion of the first session of the Standing Committee.

B. Review of new proposals by parties to the Framework Agreement

(Item 3 of the agenda)

14. The Standing Committee noted that there were no new proposals by any Party. The secretariat encouraged Parties to submit proposals, following the template circulated before the meeting (see Annex 4). Proposals may be submitted at any time to the secretariat for circulation to all Parties.

C. Review of resource mobilization

(Item 4 of the agenda)

15. The Standing Committee appreciated the insights from the panel discussion on resource mobilization, where representatives from development partners shared their work and initiatives on cross-border paperless trade, and perspectives on synergies for supporting the Parties in implementing the Framework Agreement.

16. The Standing Committee agreed that it was important for the Parties to earmark budgets for implementing national plans for the Framework Agreement during national budget planning and allocation. The Standing Committee noted that requests by the Parties for capacity building, technical assistance and other support should be based on the action plan of the Parties and needs for implementing specific articles of the treaty.

17. Recognizing the ongoing important work and initiatives by the development partners on paperless and cross-border paperless trade in the region, the Standing Committee acknowledged the importance of harmonization of the various efforts and work in this respect and agreed that a strategy for engaging development partners and donors should be prepared for implementing the Framework Agreement.

D. Operation of the Standing Committee and its subsidiary bodies

(Item 5 of the agenda)

18. The Standing Committee agreed that: 1) Communications should be streamlined between the secretariat and the Parties through the nominated national focal points; 2) At least a few core participants (especially the national focal points) from each Party should attend Standing Committee sessions on a regular basis; and 3) the Parties should ensure that the Standing Committee members have adequate time to work on the Framework Agreement.

19. The Standing Committee noted that Parties were welcome to reach out to the secretariat for bilateral or multilateral meetings regarding implementation of the treaty, or to call for ad hoc sessions of the Standing Committee. The Standing Committee agreed that at least one virtual briefing meeting should be organized to prepare for any formal meetings of the Standing Committee.

E. Date and venue of the next regular session

(Item 6 of the agenda)

20. The Standing Committee agreed for the secretariat to organize its second session in Bangkok on 19-21 June 2023, back-to-back with the second session of the Paperless Trade Council to be held at the same venue on 22-23 June 2023. It was also agreed that the secretariat would communicate with the Parties on the above-mentioned dates and venue following relevant protocols.

F. Other matters

(Item 7 of the agenda)

21. The Standing Committee agreed that the Framework Agreement should be promoted and more eligible states should be encouraged to join it, including through systematic statements to be made by Parties at the first session of the Committee on Trade, Investment, Enterprise and Business Innovation to be held on 22-24 February 2023, and through an accompanying side event.

22. The Standing Committee noted that Parties should complete procedures for acceptance of the amendment to the Framework Agreement which recognizes the French-language text as equally authentic, as adopted by the Paperless Trade Council in its first session on 27-29 April 2022.

23. Considering the importance of inter-regional trade, the Standing Committee noted that Parties could consider, in the long-term, exploring the possibility of expanding membership of the treaty beyond Asia and the Pacific, to all member States of the United Nations globally.

G. Adoption of the Report

(Item 8 of the agenda)

24. The Standing Committee adopted the report of its first session on 15 December 2022.

Annex 1. Agenda of the First Session of the Standing Committee of the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific

1) Opening of the meeting:

    - Opening statements;
    - Election of officers;
    - Adoption of the agenda.

2) Development of plans for implementation of the Framework Agreement.

3) Review of new proposals by parties to the Framework Agreement.

4) Review of resource mobilization

5) Operation of the Standing Committee and its subsidiary bodies.

6) Date and venue of the next regular session

7) Other matters.

8) Adoption of the report of the Standing Committee on its 1st session.

Annex 2. Collective action plan for the Parties

Task No.	Tasks	Year			Efforts required	Resources required	Level of Priority	Rationale for defining the priority	Partnership
		2022 /23	2023 /24	2024 /25					
6.1	Develop a template for designing a national policy framework				The draft document has been prepared. However, it needs to be reviewed and refined	1) dedicated time by the members of Standing Committee	High	This can be a quick win considering several Parties have completed readiness assessment	Capacity building by partners is welcome
6.3	Identify and select relevant international legal frameworks and best practices				1) review the draft document; 2) agree the list of international legal framework and best practice	1) dedicated time by the members of Standing Committee	High	Aligning the domestic framework with international legal framework and best practice is an ever-evolving activity.	Capacity building by partners is welcome
7.1	Prepare a guide on how to develop or upgrade paperless trade systems consistently with the general principles				1) undertake background studies by the working group with the support of the Secretariat; 2) prepare and finalize the guide	1) background study may need to be conducted by the external consultant(s); 2) dedicated time by the members of the Standing Committee	Medium	Updating paperless system is an ongoing process	Financial support from the partners to support such study is welcome
7.2	Develop a guide to help facilitate concurrent implementation of national and cross-border paperless trade systems				1) undertake background studies by the working group with the support of the Secretariat; 2) prepare and finalize the guide	1) background study may need to be conducted by external consultant(s); 2) dedicated time by the members of the Standing Committee	High	This is essential to support the Parties to develop cross-border paperless system	Financial support from the partners to support such study is welcome

Task No.	Tasks	Year			Efforts required	Resources required	Level of Priority	Rationale for defining the priority	Partnership
		2022 /23	2023 /24	2024 /25					
8.1	Develop technologically neutral mutual recognition mechanism, including defining criteria for satisfying the requirements to offer a substantially equivalent level of reliability				1) undertake background studies by the working group with the support of the Secretariat; 2) prepare and finalize the guide	1) background study may need to be conducted by the external consultant(s); 2) dedicated time by the members of the Standing Committee	High	Implementing Article 8 is crucial to materialize cross-border paperless trade	Financial support from the partners to support such study is welcome
8.2	Develop a model memorandum of understanding and service-level agreement to be used by parties at the bilateral and multilateral levels				1) review the existing models for reference 2) develop and model MoU	1) background study may need to be conducted by the external consultant(s); 2) dedicated time by the members of the Standing Committee	high	Implementing Article 8 is crucial to materialize cross-border paperless trade	Financial support from the partners to support such study is welcome
8.4	Develop a plan for regular reviews of the mechanism				1) A plan is drafted, discussed and agreed	1) dedicated time by the members of Standing Committee	Low	Such a plan can be developed later after some foundation work has been carried out	The partners may be consulted during the process
9.1	Prepare an international standards implementation strategy, including selection of relevant international standards and guidelines to be used and the development of safe, secure and reliable means of communication for the exchange of data in the Asia and the Pacific				1) review the draft document; 2) finalize the document	1) dedicated time by the members of Standing Committee	Medium	Adopting international rules and regulations will be an ongoing and dynamic process	Capacity building by partners is welcome

Task No.	Tasks	Year			Efforts required	Resources required	Level of Priority	Rationale for defining the priority	Partnership
		2022 /23	2023 /24	2024 /25					
10.1	Identify relevant provisions of international law, regional and international regulations, and best practices				1) review the draft document; 2) finalize the document	1) dedicated time by the members of Standing Committee	Medium	Adopting international rules and regulations will be an ongoing a dynamic process	Capacity building by partners is welcome
10.2	Develop a guide on how to engage in a cross-border exchange of trade-related data and documents in electronic form consistent with regional and international laws and regulations and best practices				1) carry out the relevant studies; 2) prepare the guide	1) background study may need to be conducted by the external consultant(s); 2) dedicated time by the members of the Standing Committee	Very high	Such a guide is a foundation for implementing cross-border paperless trade	Financial support from the partners to support such study is welcome
11.1	Nominate national representatives to the Paperless Trade Council & Standing Committee				1) to decide the composition of the paperless trade council and standing committee	Minimum	Very high	Institutional setting is essential to carry out all activities under the Framework Agreement	
11.4	Prepare terms of reference for working groups				1) to decide the composition of the Working Group	Minimum	Medium	The working groups will be set up according to the needs	Financial support from partners for conducting background studies is important. Also, capacity building for the Working Groups is important.
11.5	Develop and adopt protocols which contains legal or technical specifications and requirements for certain aspects of operationalizing cross-border paperless trade data exchange				1) to carry out background study; 2) to develop the protocol	1) background study may need to be conducted by external consultant(s); 2) dedicated time by the members of the Standing Committee	Low	This depends on whether the actual projects will be carried out by the parties.	Financial support from the partners to support such study is welcome

Task No.	Tasks	Year			Efforts required	Resources required	Level of Priority	Rationale for defining the priority	Partnership
		2022 /23	2023 /24	2024 /25					
13.1	Prepare a cross-border paperless trade reference map on which potential cross-border paperless trade processes, documents and data are indicated and specified				The Standing Committee needs to prepare reference map	1) dedicated time by the members of Standing Committee	High	Implementing Article 13 is crucial to materialize cross-border paperless trade	Capacity building by partners is welcome
13.2	Prioritize cross-border paperless trade processes, documents and data for pilot projects				1) carry out the relevant studies; 2) review and discuss prioritization	1) background study may need to be conducted by external consultant(s); 2) dedicated time by the members of the Standing Committee	Very high	Only after the trade related document or data are identified, discussion of other articles such as international standard can be relevant	Financial support from the partners to support such study is welcome
13.3	Prepare model memorandums of understanding/ agreements for arranging bilateral/ multilateral exchanges of cross-border data				1) review the draft document; and 2) finalize the document	1) dedicated time by the members of Standing Committee	Medium	This can happen after the pilot project is identified.	Capacity building by partners is welcome
13.4	Prepare a plan for developing technical and legal guides to be used for pilot projects				Undertake background studies and prepare a plan	1) dedicated time by the members of Standing Committee	Medium	This can happen after the pilot project is identified.	Capacity building by partners is welcome
13.5	Prepare a strategy and guidance on how to transition pilot projects into live projects				1) discuss and prepare a strategy	1) dedicated time by the members of Standing Committee	High	This will be carried out after the pilot project has been identified and implemented	Partners will be invited to be involved in discussion and implementation
13.7	Prepare a template for reporting the progress of pilot projects to the Standing Committee				1) prepare a template	1) dedicated time by the members of Standing Committee	Low	this will be carried out after the pilot project has been identified	N.A.

Task No.	Tasks	Year			Efforts required	Resources required	Level of Priority	Rationale for defining the priority	Partnership
		2022 /23	2023 /24	2024 /25					
14.1	Define different options and mechanisms for capacity-building, including a customization strategy for national, subregional and regional levels				Study the needs for capacity building	1) dedicated time by the members of Standing Committee	High	human capacity is fundamental for the implementation of the project	Financial support from the partners to support such study is welcome
14.2	Prepare a guide on how to make a request for technical support and assistance and how to provide technical support and assistance				1) review the draft document; 2) finalize the document	1) dedicated time by the members of Standing Committee	High	human capacity is fundamental for the implementation of the project	Financial support from the partners to support such study is welcome
14.3	Prepare a plan for engaging development partners in capacity-building activities				Prepare a plan	1) dedicated time by the members of Standing Committee	Very high	Developing partners can provide useful financial support and capacity building.	Advice from the partners is welcome
14.4	Define reporting mechanism for capacity building received or provided				1) prepare a reporting mechanism	1) dedicated time by the members of Standing Committee	Medium	This does not have a huge impact on the delivery of the capacity building	N.A.

Annex 3. A Survey of individual action plan of the Parties of the CPTA

Article No.	Goals	Tasks	Actions (in sequence)	Priority	Potential key agencies	Deliverables	Timeline (implementation schedule)	Progress made	Capacity building needs
6	Establish a national policy framework for paperless trade	Develop and implement a national policy framework for paperless trade							
	Create an enabling domestic legal environment for paperless trade	Align the domestic legal framework with selected international legal frameworks and best practices							
7	Develop or upgrade paperless trade systems consistently with the general principles	Develop or upgrade paperless trade systems, including single window systems, consistently with the general principles of the Framework Agreement							

8	Develop and agree on a mutual recognition scheme for exchange of trade-related data in electronic form	Operationalize mutual recognition							
9	Select and use relevant international standards and guidelines	Apply selected international standards and guidelines							
		Participate in the development of relevant international standards and best practices							
10	Take into account and adopt available and accepted international legal instruments	Apply selected legal instruments or relevant provisions within the legal instruments in conjunction with the result of the legal readiness assessment							
13	Initiate and launch pilot projects	Plan and implement pilot projects							
		Report the progress of pilot projects to the Standing Committee							

14	Cooperate in providing technical support and assistance	Request and offer capacity building							

Annex 4. Template for the Parties to submit proposals related to implementation of the CPTA

Please specify the objective(s) of the proposal (e.g., to promote the CPTA in specific countries to support them to accede to the CPTA; to exchange a particular document; to effectively engage the private sector…)	
What are suggested key activities covered by the proposal (e.g., to organize a national workshop; to carry out a background study; to organize an expert group meeting; to establish a working group; to negotiate a separate protocol…) and the timelines for each activity?	
Please explain how the proposal is related to specific Articles of the CPTA	
Please list expected beneficiary stakeholders and explain how they would benefit from the proposal	
Please list Parties of the CPTA to be involved in the proposal and explain how they may be involved	
Please list Non-Parties of the CPTA (including countries in Asia and the Pacific and from other regions in the world) to be involved in the proposal and explain how they may be involved	
Please elaborate on any financial implications expected from conducting the activities under the proposal	
Please list development partners to be involved in the proposal and explain how they may be involved	
Please provide any other pertinent information not listed above	